



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	SB0062	Title:	Fix discrepancy in environmental contingency account funding
Primary Sponsor:	Laible, Rick	Status:	As Amended

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact:

Currently, the Resource Indemnity Trust Fund interest earnings are distributed in accordance with section 15-38-202, MCA, by the Department of Revenue. Under this distribution statute, \$175,000 is distributed to the environmental contingency account each fiscal year. Under SB 62 this distribution would occur once a biennium. Currently, section 75-1-1101, MCA, contains language that indicates \$175,000 will be distributed to the environmental contingency account once a biennium after FY 2009. SB 62 clarifies these discrepancies by changing the language in section 15-38-202, MCA, to reflect a biennial distribution. FY 2011 OBPP and LFD revenue estimates reflect the annual distribution.

FISCAL ANALYSIS

Assumptions:

1. The current distribution of the Resource Indemnity Trust Fund interest earnings is defined in section 15-38-202. The table below shows the distribution of interest revenue for FY 2010 through FY 2013.

RIT Interest Revenue Distribution FY 2010 through FY 2013 (\$ millions)				
Entity	FY 2010	FY 2011	FY 2012	FY 2013
Natural Resource Projects Acct.	\$3.500	\$3.500	\$3.500	\$3.500
Ground Water Assessment Acct	\$0.300	\$0.300	\$0.300	\$0.300
Department of Fish Wildlife & Park	\$0.500	\$0.500	\$0.500	\$0.500
Environmental Contingency Acct.	\$0.175	\$0.175	\$0.175	\$0.175
Oil & Gas Production Damage Mitigation	\$0.050	-	\$0.050	-
Water Storage Acct	\$0.500	-	\$0.500	-
	65% of	65% of	65% of	65% of
Natural Resource Operation Acct.	Remainder	Remainder	Remainder	Remainder
	26% of	26% of	26% of	26% of
Hazardous Waste/CERCLA Acct.	Remainder	Remainder	Remainder	Remainder
	9% of	9% of	9% of	9% of
Environmental Protections Fund	Remainder	Remainder	Remainder	Remainder

2. Under SB 62, the distribution to the Environmental Contingency account would change from a yearly distribution to a biennial distribution. The table below shows the change in revenue to the entities receiving RIT interest revenue.

SB 62 Changes to RIT Interest Revenue Distribution FY 2010 through FY 2013 (\$ millions)				
Entity	FY 2010	FY 2011	FY 2012	FY 2013
Natural Resource Projects Acct.	-	-	-	-
Ground Water Assessment Acct	-	-	-	-
Department of Fish Wildlife & Park	-	-	-	-
Environmental Contingency Acct.	-	(\$0.1750)	-	(\$0.1750)
Oil & Gas Production Damage Mitigation	-	-	-	-
Water Storage Acct	-	-	-	-
Natural Resource Operation Acct.	-	\$0.1138	-	\$0.1138
Hazardous Waste/CERCLA Acct.	-	\$0.0455	-	\$0.0455
Environmental Protections Fund	-	\$0.0158	-	\$0.0158
Total	-	-	-	-

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
TOTAL Expenditures	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Funding of Expenditures:</u>				
TOTAL Funding of Exp.	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Environmental Contingency (02)	\$0	(\$175,000)	\$0	(\$175,000)
Natural Resource Operations (02)	\$0	\$113,750	\$0	\$113,750
Hazardous Waste/CERCLA (02)		\$45,500	\$0	\$45,500
Environmental Protections (02)	<u>\$0</u>	<u>\$15,750</u>	<u>\$0</u>	<u>\$15,750</u>
TOTAL Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Environmental Contingency (02)	\$0	(\$175,000)	\$0	(\$175,000)
Natural Resource Operations (02)	\$0	\$113,750	\$0	\$113,750
Hazardous Waste/CERCLA (02)	\$0	\$45,500	\$0	\$45,500
Environmental Protections (02)		\$15,750		\$15,750

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date